

### 135N.1 Direct primary care agreements.

1. *Definitions.* For the purpose of [this section](#):

a. “*Direct patient*” means an individual, or an individual and the individual’s immediate family, that is party to a direct primary care agreement.

b. “*Direct patient’s representative*” means a parent, guardian, or an individual holding a durable power of attorney for health care for a direct patient.

c. “*Direct primary care agreement*” means an agreement between a direct provider and a direct patient, or the direct patient’s representative, in which the direct provider agrees to provide primary care health services for a specified period of time to the direct patient for a direct service charge.

d. “*Direct provider*” means a health care professional licensed, accredited, registered, or certified to perform specified primary care health services consistent with the law of this state. “*Direct provider*” includes an individual health care professional or other legal health care entity alone or with other health care professionals professionally associated with the individual health care professional or other legal health care entity.

e. “*Direct service charge*” means a charge for primary care health services provided by a direct provider to a direct patient covered by a direct primary care agreement. “*Direct service charge*” may include a periodic retainer, a membership fee, a subscription fee, or a charge in any other form paid by a direct patient to a direct provider under a direct primary care agreement.

f. “*Durable power of attorney for health care*” means the same as defined in [section 144B.1](#).

g. “*Primary care health services*” means general health care services of the type provided at the time a patient seeks preventive care or first seeks health care services for a specific health concern. “*Primary care health services*” include all of the following:

- (1) Care which promotes and maintains mental and physical health and wellness.
- (2) Care which prevents disease.
- (3) Screening, diagnosing, and treatment of acute or chronic conditions caused by disease, injury, or illness.
- (4) Patient counseling and education.
- (5) Provision of a broad spectrum of preventive and curative health care over a period of time.
- (6) Coordination of care.

2. *Requirements for a valid direct primary care agreement.*

a. In order to be a valid agreement, a direct primary care agreement must meet all of the following requirements:

- (1) Be in writing.
- (2) Be signed by the direct provider, or an agent of the direct provider, and the direct patient or the direct patient’s representative.
- (3) Describe the scope of the primary care health services covered by the direct primary care agreement.
- (4) State each of the direct provider’s locations where a direct patient may obtain primary care health services and specify any out-of-office primary care health services that are covered under the direct primary care agreement.
- (5) Specify the direct service charge and the frequency at which the direct service charge must be paid by the direct patient. A direct patient shall not be required to pay more than twelve months of a direct service charge in advance.
- (6) Specify any additional costs for primary care health services not covered by the direct service charge for which the direct patient will be responsible.
- (7) Specify the duration of the direct primary care agreement, whether renewal is automatic, and if required the procedure for renewal of the direct primary care agreement.
- (8) Specify the terms and conditions under which the direct primary care agreement may be terminated by the direct provider. A termination of the direct primary care agreement by the direct provider shall include a minimum of a thirty-calendar-day advance, written notice to the direct patient or to the direct patient’s representative.

(9) Specify that the direct primary care agreement may be terminated at any time by the direct patient upon written notice to the direct provider.

(10) State that if the direct primary care agreement is terminated by either the direct patient or the direct provider all of the following apply:

(a) Within thirty calendar days of the date of the notice of termination from either party, the direct provider shall refund all unearned direct service charges to the direct patient.

(b) Within thirty calendar days of the date of the notice of termination from either party, the direct patient shall pay all outstanding earned direct service charges to the direct provider.

(11) Include a notice in bold, twelve-point font that states substantially as follows:

NOTICE. This direct primary care agreement is not health insurance and is not a plan that provides health coverage for purposes of any federal mandates. This direct primary care agreement only covers the primary care health services described in this agreement. It is recommended that you obtain health insurance to cover health care services not covered under this direct primary care agreement. You are personally responsible for the payment of any additional health care expenses you may incur.

b. The direct provider shall provide the direct patient, or the direct patient's representative, with a fully executed copy of the direct primary care agreement at the time the direct primary care agreement is executed.

3. *Application for a direct primary care agreement.* If a direct provider requires a prospective direct patient to complete an application for a direct primary care agreement, the direct provider shall provide a written disclaimer on each application that informs the prospective direct patient of the direct patient's financial rights and responsibilities and that states that the direct provider will not bill a health insurance carrier for primary care health services covered under the direct primary care agreement. The disclaimer shall also include the identical notice required by [subsection 2](#), paragraph "a", subparagraph (11).

4. *Notice required for changes to the terms or conditions of a direct primary care agreement.*

a. A direct provider shall provide at least a sixty-calendar-day advance, written notice to a direct patient of any of the following changes to a direct primary care agreement:

(1) Any change in the scope of the primary care health services covered under the agreement.

(2) Any change in the direct provider's locations where the direct patient may access primary care health services.

(3) Any change in the out-of-office services that are covered under the direct primary care service agreement.

(4) Any change in the direct service charge.

(5) Any change in the additional costs for primary care health services not covered by the direct service charge.

(6) Any change in the renewal terms.

(7) Any change in the terms to terminate the agreement.

b. A direct provider shall provide the notice by mailing a letter to the address of the direct patient that the direct provider has on file. The postmark date on the letter shall be the first day of the required sixty-calendar-day notice period.

5. *Discrimination based on an individual's health status.* A direct provider shall not refuse to accept a new direct patient or discontinue care of an existing direct patient based solely on the new direct patient's or the existing direct patient's health status.

6. *A direct primary care agreement is not insurance.*

a. A direct primary care agreement is not insurance and shall not be subject to the authority of the commissioner of insurance. Neither a direct care provider, nor an agent of a direct care provider, shall be required to be licensed by the commissioner to transact the business of insurance in this state or to obtain a certificate issued by the commissioner to market or offer a direct primary care agreement.

b. A direct provider shall not bill an insurer for a service provided under a direct primary

care agreement. A direct patient may submit a request for reimbursement to an insurer if permitted under the direct patient's policy of insurance. This paragraph does not prohibit a direct provider from billing a direct patient's insurance for a service provided to the direct patient by the direct provider that is not provided under the direct primary care agreement.

7. *Third-party payment of a direct service charge.* A direct provider may accept payment of a direct service charge for a direct patient either directly or indirectly from a third party. A direct provider may accept all or part of a direct service charge paid by an employer on behalf of an employee who is a direct patient of the direct provider. A direct provider shall not enter directly into an agreement with an employer relating to a direct primary care agreement between the direct provider and employees of the employer, other than an agreement to establish the timing and method of the payment of a direct service charge paid by the employer on behalf of the employee.

8. *Sale or transfer of a direct primary care agreement.* A direct primary care agreement shall not be sold or transferred by a direct care provider without the prior written consent of the direct patient who is a party to the direct primary care agreement. A direct patient shall not sell or transfer a direct primary care agreement to which the direct patient is a party.

[2018 Acts, ch 1043, §1](#)